

CRAVATH, SWAIN & MOORE FEB 11 1997 -12-12 PM

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February 7, 1997

Dear Mr. Williams:

In accordance with 49 U.S.C. §11301, we submit herewith for recording with the Surface Transportation Board original counterparts of the document described below.

This document is a Memorandum of Lease Assignment, a "secondary document", dated as of February 5, 1997. The document to which this is connected is the Memorandum of Lease Agreement dated as of February 5, 1997, which is being filed with the Commission today.

The names and addresses of the parties to the document are as follows:

ASSIGNOR: Leone Lease Ltd.
c/o CitiLease Co., Ltd.
2-3-14 Higashi-shinagawa
Shinagawa-ku
Tokyo 140, Japan

ASSIGNEE: Citicorp USA, Inc.
400 Perimeter Center Terrace
Atlanta, Georgia 30346

The equipment covered by the document is as follows:

<u>Number of Units</u>	<u>General Description</u>	<u>AAR Symbol</u>	<u>Railroad's Road Numbers (both inclusive)</u>
40	6-axle diesel-electric locomotives	C-C	9020-9059

The recordation fee of \$21.00 is enclosed. After recordation, please return the counterparts not needed by the Board, stamped with the Board's recordation data, to the undersigned at the above address.

A short summary of the document for use in the index follows:

Memorandum of Lease Assignment dated as of February 5, 1997, between Leone Lease Ltd., as assignor, and Citicorp USA, Inc., as assignee, and covering the Lease Agreement dated as of February 5, 1997, between the assignor, as lessor, and Norfolk Southern Railway Company, as lessee, covering 40 diesel-electric locomotives (numbered NS 9020-9059).

Please acknowledge receipt on the enclosed copy of this letter.

Very truly yours,



Michael Rice

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
12th and Constitution Avenue, N.W.
Washington, DC 20423

Encl.

RECORDATION NO. 20544-A
FEB 11 1997 - 12:10 PM

MEMORANDUM OF LEASE ASSIGNMENT dated as of February 5, 1997, between LEONE LEASE LTD., a corporation organized under the laws of Japan (hereinafter called the **Borrower**), and CITICORP USA, INC. (hereinafter called the **Security Agent**).

WHEREAS the Borrower and Norfolk Southern Railway Company are entering into that certain Lease Agreement dated as of the date hereof and supplements thereto, covering the railroad locomotives listed in Schedule A hereto; and

WHEREAS the Borrower and the Security Agent are entering into that certain Chattel Mortgage and Security Agreement dated as of the date hereof and supplements thereto, pursuant to which the aforesaid Lease and supplements thereto are being assigned by the Borrower to the Security Agent.

IN WITNESS WHEREOF, the parties wish to show for the public record the assignment of the aforesaid Lease Agreement to the Security Agent, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

LEONE LEASE LTD.

by James F. Haydel

CITICORP USA, INC.

by _____

MEMORANDUM OF LEASE ASSIGNMENT dated as of February 5, 1997, between LEONE LEASE LTD., a corporation organized under the laws of Japan (hereinafter called the **Borrower**), and CITICORP USA, INC. (hereinafter called the **Security Agent**).

WHEREAS the Borrower and Norfolk Southern Railway Company are entering into that certain Lease Agreement dated as of the date hereof and supplements thereto, covering the railroad locomotives listed in Schedule A hereto; and

WHEREAS the Borrower and the Security Agent are entering into that certain Chattel Mortgage and Security Agreement dated as of the date hereof and supplements thereto, pursuant to which the aforesaid Lease and supplements thereto are being assigned by the Borrower to the Security Agent.

IN WITNESS WHEREOF, the parties wish to show for the public record the assignment of the aforesaid Lease Agreement to the Security Agent, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

LEONE LEASE LTD.

by _____

CITICORP USA, INC.

by Hilary A. Hylan
Hilary A. Hylan
Vice President

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this 7th day of February, 1997, before me personally appeared James F. Kaye, to me personally known, who, by me being duly sworn, says that he is attorney-in-fact for LEONE LEASE LTD., and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Erica M. Slezak
Notary Public

My commission expires

ERICA M SLEZAK
Notary Public State of New York
No. 02SL5042488
Qualified in Nassau County
Commission Expires April 24, 1997

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this day of February, 1997, before me personally appeared , to me personally known, who, by me being duly sworn, says that he is of CITICORP USA, INC., that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

.....
Notary Public

My commission expires

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)


On this day of February, 1997, before me
personally appeared , to me personally known,
who, by me being duly sworn, says that he is attorney-in-
fact for LEONE LEASE LTD., and that the foregoing instrument
was signed on behalf of said corporation by authority of its
board of directors, and he acknowledged that the execution
of the foregoing instrument was the free act and deed of
said corporation.

.....
Notary Public

My commission expires

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this 7th day of February, 1997, before me
personally appeared Hilary A. Hylan, to me personally known,
who, by me being duly sworn, says that she is a Vice
President of CITICORP USA, INC., that the foregoing
instrument was signed on behalf of said corporation by
authority of its board of directors, and he acknowledged
that the execution of the foregoing instrument was the free
act and deed of said corporation.

.....

Notary Public

My commission expires

December 12, 1999

SCHEDULE A

<u>Quantity</u>	<u>Description</u>	Norfolk Southern Railway Company <u>Road Numbers</u>
40	General Electric model DASH 9-40CW diesel-electric locomotives	9020 through 9059